

The Bureau of Land Management
Onshore Orders 3, 4, 5 Side-by-Side Comparison of Significant Draft Proposed Changes
April 24, 2013

Onshore Order 3

Subject	Existing Order	Potential Revision
Facility Measurement Point	Not addressed.	<ul style="list-style-type: none"> . Require operators to seek approval for all measurement facilities affecting royalty revenue. . BLM designation of approved facility as Facility Measurement Point (FMP). . BLM review of existing off-lease measurement and commingling approvals as part of the FMP designation. . Potential Revisions would mirror existing ONRR and BSEE reporting and operating guidance on FMPs.
Off-lease Measurement	Requires justification for the off-lease measurement location (addressed in Orders 4 and 5).	<ul style="list-style-type: none"> . Establish a review process for off-lease measurement requests. . Define what constitutes off-lease measurement.
Commingling	Not addressed in Order 3 (the requirement for approval of commingling is found in 43 CFR 3162.7-2&-3).	<ul style="list-style-type: none"> . Establish a review process for commingling requests. . Only approve commingling if: <ul style="list-style-type: none"> . 1) There were no royalty revenue impacts from the allocation; or . 2) The leases proposed for commingling were low-volume and the commingling could be justified based on economics; or . 3) There are overriding considerations based on environmental issues or achieving maximum ultimate recovery.
Oil tank accounting	Run tickets required for sales.	<ul style="list-style-type: none"> . Run tickets would be required for sales. . Records would be required for all access to tanks.
Site security	Requires site security plan, site facility diagram, and operator self-inspection.	<ul style="list-style-type: none"> . Eliminate the site-security plan and self-inspection. . Add new requirements for the site facility diagram.

Onshore Order 4

Subject	Existing Order	Potential Revision
Industry standards	Incorporates numerous API and ASTM standards in effect prior to 1989.	. Incorporate the latest revisions to API and ASTM standards.
Uncertainty limits	No explicit uncertainty requirements; requirements apply to all oil measurement facilities regardless of flow.	. The following uncertainty limits would be required: > 10,000 bbls/month: $\pm 0.35\%$ overall uncertainty $\leq 10,000$ bbls/month: $\pm 1.0\%$ overall uncertainty
LACT components	Defines minimum standards for LACT components; includes ATG/ATC as a required component.	. Prohibit ATG/ATC. . Require a temperature averager instead.
Coriolis measurement system	Not addressed.	. Establish requirements for Coriolis measurement systems as an accepted form of measurement at an FMP.
Meter proving	Defines proving equipment, proving procedures, and proving frequency: > 100,000 bbls/month: monthly $\leq 100,000$ bbls/month: quarterly	. Apply proving requirements to both LACTs and Coriolis measurement systems. . Proving would include verification of pressure and temperature devices used to determine CPL and CTL. . Proving would be required every 50,000 bbls or quarterly.
Measurement (run) tickets	Not addressed.	. Require measurement (run) tickets for all forms of oil measurement: . Tank, LACT, and Coriolis measurement systems.

Onshore Order 5

Subject	Existing Order	Potential Revisions
Industry standards	Incorporates AGA Report No. 3, 1985.	. Incorporate the latest revisions to API and GPA standards.
Approved devices	Requirements for orifice plates and chart recorders are defined.	. Allow orifice plates, chart recorders (100 Mcf/day or less), and gas chromatographs. . Establish a procedure for the BLM to approve transducers, flow computers, flow conditioners, and other primary devices by make, model, and size.
Uncertainty limits	No explicit uncertainty requirements; certain exceptions granted for low-volume meters.	. Establish four tiers of requirements according to average monthly flow rate; the higher the flow rate the stricter the standards.
Meter tube inspections	Not addressed.	. Require operators to inspect meter tubes at a frequency related to average monthly flow rate.
Gas sampling frequency	Heating value must be determined once per year.	. For low- and marginal-volume meters, sampling would be required at least once per year. . For high and very high volume meters, sampling frequency would be dynamic on a per-meter basis, and dependent on historic heating value variability.
Gas sampling, analysis, and reporting	Not addressed	. Establish requirements for gas sampling methods. . Gas analysis requirements would be required per GPA 2261; extended (C9) if mol% of C6+ was > 0.25. . Heating value would be reported on a “dry” basis.
Transducer and flow computer testing	Not addressed.	. Define a required testing protocol for transducers and flow computers. . Devices approved by the BLM would be posted on a BLM website.
Electronic gas measurement	Addressed in statewide NTLs for Electronic Flow Computers.	. Incorporate provisions of statewide NTLs into Onshore Order 5.